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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON DECEMBER 6, 2011

Commission Chairman John D. Quackenbush called the meeting to order at 1:30 p.m.  
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

**PRESENT**

Commission: John D. Quackenbush, Chairman  
Orjiakor N. Isiogu, Commissioner  
Greg R. White, Commissioner

Staff: Alissa Day  
Judy Palnau  
Mary Jo Kunkle  
Catherine Bowers  
Robert F. Nicholl  
Kevin Krause  
Theresa McMillan-Sepkoski  
Dolores Midkiff-Powell  
Gretchen Wagner  
Teri McNea  
Sharron Allen  
Lisa Felice  
Mignon Middlebrook

Public: Kwafo Adarkwa, ITC Holdings Corp.  
Ron Bloomberg, Miller Canfield  
Suzy Westmoreland, MEGA  
Jim Padgett, DTE Energy  
Mary Stasek, Consumers Energy  
Tim Hoffman, Consumers Energy

**I.** Commissioner Isiogu moved to approve today's agenda, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The agenda was approved.

**II.** Commissioner Isiogu moved to approve the minutes of the Regular Commission Meeting of November 10, 2011, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The minutes were approved.

### III. ORDERS

#### A. COMMUNICATIONS

1. U-14198 BARAGA TELEPHONE COMPANY AND ALLTEL COMMUNICATIONS, INC.  
U-14944 BLANCHARD TELEPHONE COMPANY AND VERIZON WIRELESS  
U-14945 ALLENDALE TELEPHONE COMPANY AND VERIZON WIRELESS  
U-14946 CARR TELEPHONE COMPANY AND VERIZON WIRELESS  
U-15796 WESTPHALIA TELEPHONE COMPANY AND VERIZON WIRELESS  
U-15797 CHAPIN TELEPHONE COMPANY AND VERIZON WIRELESS  
U-16371 ACE TELEPHONE COMPANY OF MICHIGAN, INC., AND VERIZON WIRELESS  
U-16373 DEERFIELD FARMERS' TELEPHONE COMPANY AND VERIZON WIRELESS  
U-16374 KALEVA TELEPHONE COMPANY AND VERIZON WIRELESS  
U-16375 LENNON TELEPHONE COMPANY AND VERIZON WIRELESS  
U-16377 PIGEON TELEPHONE COMPANY AND VERIZON WIRELESS  
U-16909 BARAGA TELEPHONE COMPANY AND NEW CINGULAR WIRELESS PCS, LLC, d/b/a AT&T MOBILITY  
U-16911 WINN TELEPHONE COMPANY AND PAETEC COMMUNICATIONS, INC.  
U-16913 BUCKEYE TELESYSTEM, INC., AND AT&T MICHIGAN (interconnection agreements)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which requests Commission approval of interconnection agreements and amendments. The order before you approves the requests, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

2. U-14967 VOIP TELECOM, LLC  
(license surrender)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves a request to surrender a license to provide basic local exchange service. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

3. U-16461 MIDWESTERN TELECOMMUNICATIONS, INC.  
(clarification)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves a request for designation as an eligible telecommunications carrier. The order before you grants the applicant's motion for issuance of an immediate order, but denies the relief requested at this time, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

4. U-16465 I-WIRELESS  
(application)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application for designation as an eligible telecommunications carrier. The order before you grants the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

5. U-16844 ROCKFORD TELEPHONE COMPANY, INC.  
(license)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves a request to provide basic local exchange service in the Rockford exchange. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

6. U-16845 SPARTA TELEPHONE COMPANY, INC.  
(license)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves a request to provide basic local exchange service in the Sparta exchange. The order before you grants the request, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

7. U-16894 ALLENDALE TELEPHONE COMPANY  
(application)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application for designation as an eligible telecommunications carrier in the Drenthe exchange. The order before you grants the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

8. U-16899 ALPHA CONNECT, LLC  
(temporary license)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which is an application for a temporary license to provide basic local exchange service. The order before you grants the temporary license, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

**B. ELECTRIC**

1. U-14851 THE DETROIT EDISON COMPANY AND MICHIGAN  
CONSOLIDATED GAS COMPANY  
(partial waiver of rules)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by The Detroit Edison Company and Michigan Consolidated Gas Company for a waiver of R 460.117(1) of the residential billing rules. The order before you grants the requested waiver for one year, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

2. U-15664-R WISCONSIN ELECTRIC POWER COMPANY  
(’09 PSCR reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Wisconsin Electric Power Company for a power supply cost recovery reconciliation proceeding for the 12-month period ended December 31, 2009. The order before you approves the application with modifications, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

3. U-15806 THE DETROIT EDISON COMPANY  
(Public Act 295 approval)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by The Detroit Edison Company for approval of a renewable energy credit purchase agreement with Michigan Waste Energy, Inc. The order before you approves the contract as in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

4. U-15831 EXELON ENERGY COMPANY  
(renewable energy plan biennial review)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Exelon Energy Company for approval of its renewable energy plan biennial review. The order before you approves the renewable energy plan as in compliance with the requirements of Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

5. U-16037-R MIDWEST ENERGY COOPERATIVE  
(’10 PSCR reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Midwest Energy Cooperative for a power supply cost recovery reconciliation proceeding and a times interest earned ratio ratemaking mechanism review – both for the 12-month period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

6. U-16038-R ONTONAGON COUNTY RURAL ELECTRIFICATION  
ASSOCIATION  
(’10 PSCR reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by The Ontonagon County Rural Electrification Association for a power supply cost recovery reconciliation proceeding and a times interest earned ratio ratemaking mechanism – both for the 12-month period ended December 31, 2010. The order before you approves a settlement

agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

7. U-16039-R THUMB ELECTRIC COOPERATIVE  
(’10 PSCR reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Thumb Electric Cooperative for approval of a power supply cost recovery reconciliation proceeding and a times interest earned ratio ratemaking mechanism – both for the 12-month period ended December 31, 2010, and an annual code of conduct report. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

8. U-16273 PHIL FORNER v CONSUMERS ENERGY COMPANY

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which is a complaint filed by Phil Forner against Consumers Energy Company alleging violation of MCL 460.10a provisions related to its appliance service program. The order before you finds no violation of the statute and dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

9. U-16300 CONSUMERS ENERGY COMPANY  
(REP costs)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves the application of Consumers Energy Company for authority to reconcile its renewable energy plan costs associated with the plan approved in Case No. U-

15805. The order before you approves the application, as modified, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

10. U-16303 CONSUMERS ENERGY COMPANY  
(Act 295)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Consumers Energy Company for authority to reconcile its 2010 energy optimization plan expenses and revenues, and for approval to collect an incentive payment for both gas and electric energy optimization plans. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

11. U-16434 THE DETROIT EDISON COMPANY  
(’11 PSCR plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application filed by The Detroit Edison Company for authority to implement a power supply cost recovery plan for 2011 metered jurisdictional sales of electricity. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

12. U-16584 INDIANA MICHIGAN POWER COMPANY  
(REP amendment)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Indiana Michigan Power Company for approval of its renewable



energy plan as in compliance with the requirements of Public Act 295 of 2008. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

13. U-16611 ESCANABA ELECTRIC DEPARTMENT  
(renewable energy plan biennial review)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by the Escanaba Electric Department requesting that the Commission review its renewable energy plan. The order before you finds the utility's renewable energy plan to be in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

14. U-16634 CITY OF STURGIS  
(renewable energy plan biennial review)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by the City of Sturgis requesting that the Commission review its renewable energy plan. The order before you finds the utility's renewable energy plan to be in compliance with Public Act 295 of 2008, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

15. U-16676 WISCONSIN PUBLIC SERVICE CORPORATION  
(energy optimization plan)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by the Wisconsin Public Service Corporation for approval of its energy optimization plan for 2012 and 2013. The order before you

approves a settlement agreement resolving all issues in the case,  
Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

16. U-16756 THE DETROIT EDISON COMPANY  
(’10 choice incentive mechanism reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which is an application by The Detroit Edison Company requesting Commission approval of the reconciliation of its choice incentive mechanism for the 12-month period ended December 31, 2010. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

17. U-16794 CONSUMERS ENERGY COMPANY  
(self-implementation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application filed by Consumers Energy Company on June 10, 2011 for authority to increase its rates for the generation and distribution of electricity and for other relief. The order before you finds good cause to prevent the utility from self-implementing a rate increase of \$147 million, approves procedures that will permit the utility to self-implement a lesser amount, and directs the company to use the rate design contained in Exhibit SI-3 if the company elects to self-implement new rates, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

18. U-16852 JOSEPH PEREIRA v THE DETROIT EDISON COMPANY

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves a complaint filed by Joseph Pereira against The Detroit Edison Company. The order before you dismisses the complaint with prejudice, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

19. U-16907 DETROIT THERMAL, LLC  
(steam sales agreement)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Detroit Thermal, LLC for approval of a steam sales agreement. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

**C. GAS**

1. U-15700-R MICHIGAN GAS UTILITIES CORPORATION  
(’10 GCR reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Michigan Gas Utilities Corporation for a gas cost recovery reconciliation for the 12-month period ended March 31, 2010. The order before you approves the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

2. U-15701-R MICHIGAN CONSOLIDATED GAS COMPANY  
(’10 GCR reconciliation)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves the application of Michigan Consolidated Gas Company for a gas cost recovery reconciliation for the 12-month period ended March 31, 2010. The order before you authorizes Michigan Consolidated Gas Company to include in its 2010-2011 gas cost recovery reconciliation beginning balance the net overrecovery determined in this proceeding, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

3. U-16784 KURT SIELAFF v CONSUMERS ENERGY COMPANY

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves a complaint by Kurt Sielaff against Consumers Energy Company. The order before you approves the settlement agreement and dismisses the complaint, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

4. U-16826 BREITBURN OPERATING, L.P. AND TERRA ENERGY COMPANY  
LLC v DCP JORDAN VALLEY PIPELINE, LLC AND DCP TERRA  
HAYES GATHERING, LLC

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves a complaint by BreitBurn Operating L.P. and Terra Energy Company LLC against DCP Jordan Valley Pipeline LLC and DCP Terra Hayes Gathering LLC. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

5. U-16856 ENBRIDGE ENERGY, LIMITED PARTNERSHIP  
(Act 16)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which involves an application by Enbridge Energy, Limited Partnership for authority to construct and operate a pipeline, including related fixtures and equipment, for the purpose of transporting crude oil or petroleum in Calhoun, Cass, and St. Joseph counties. The order before you approves a settlement agreement and grants the application, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

**D. MOTOR CARRIER**

1. T-1864 COMMISSION’S OWN MOTION  
(Public Act 111)

Commissioner Isiogu moved that the Commission adopt and issue order dated December 6, 2011 which is a matter commenced on the Commission’s own motion to receive comments regarding the interpretation of the effect of Public Act 111 of 2011, MCL 479.2. The order before you sets December 27, 2011 as the deadline for submission of comments, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The order was adopted.

**IV. PUBLIC COMMENTS**

There were no public comments.

Chairman Quackenbush announced that the next regularly scheduled Commission Meeting will be held on December 20, 2011.

Commissioner Isiogu moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas – Quackenbush, Isiogu, White  
Nays – None

The motion was approved.

The meeting adjourned at 1:58 p.m.

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Mary Jo Kunkle  
Executive Secretary